

Pilot Program for Manufacturing Facilities on Brownfields

Notes

May 11, 2018 | 10:00 a.m. – Noon

Wisconsin Department of Natural Resources

101 S. Webster Street | Madison | Room G09

Conference Call Option: Skype or 1-866-715-6499 | Access Code: 6989557456

- I. Introductions and Agenda Repair (All) – 5 minutes
 - Attendees present: Dave Misky, Brian Schimming, Dan Andersen, Linnea Rock, Laurel Sukup, Art Harrington, Amy Litscher, Patti Stickney, Michael Prager, Kevin Gartska, Jennifer Buzacky, Kristin Hart, Bart Sponseller
 - DNR went through alignment in the past 2 years. 5 Divisions aligned around core work. Environmental Management (Bart Sponseller/James Zellmer – Interim Administrators) and External Services (Joe Liebau – Administrator) are the 2 Divisions that external folks interact with first. Fish, Wildlife, & Parks (Sanjay Olsen – Administrator), Forestry (Fred Souba – Administrator), Internal Services (Doug Haag – Administrator).
- II. Responses to Legal Questions (Kevin) – 15 minutes
 - Update: 2nd question to 50%.
 - 422.02 defines the manufacturing facility.
 - We feel the statute allows for enough flexibility in the definition of constructing.
 - o Q: Is constructing used in the sense of an air permit source? & If we add a warehouse onto a brownfield, does that work? e.g. a printer putting in a high-rise storage facility. They may not need a permit to put that in.
 - Expand the definition to a broader category, separating it from air, so that this can be used for existing sources.
 - The statute does not provide many definitions so we are using rule.
 - WDC & brownfield grants may have definitions of constructing.
 - A non-major source that is subject to title V permitting requirements would not qualify.
 - **Action item (DNR): look into brownfield definition of constructing; how broadly can we use the term while staying within the lines?**
 - **Action item (DNR): edit legal 1-pager.**
- III. Report out of Green Tier ROP Subgroup (Kristin and ROP Team) – 30 minutes
 - Green Tier Registration Permit (GT ROP): has a higher threshold (up to 80%) than the existing Types A, B, and C ROPs. The GT ROP is tied to getting a contract under Tier 2. Pairing these together is a nice fit.
 - Many benefits for those who qualify.
 - The 80% is a level that is small based on how EPA asks the state to regulate sources.
 - o **Decision:** Consensus among the group regarding this threshold.
 - Tier 2 requirements: has fully functioning environmental management system in place; Tier 1 just commits to having EMS in place and gets a year to implement it.

- Q: If we limit this to Tier 2, are we eliminating potential participants?
 - It is important for an entity that is considering the 50-80% threshold be dedicated to Tier 2.
 - Enhanced compliance methods offer transparency to the public (Tier 2 has an interested parties group aspect).
 - Annual environmental management audit & compliance audit.
 - The statute does allow for both Tier 1 & 2. By design, to take advantage of the GT ROP, the facility needs to be Tier 2.
 - **Decision:**
 - Limit eligibility for the GT ROP to Tier 2
 - Allow smaller sources qualifying for Tier 1 and eligible for Types A, B, or C ROPs to participate in the pilot.
- The Department believes we have enough sources that would want this permit to put in the time.
- Next Steps: have a draft ready for public comment in 6 months. We need to establish how we work with and create contracts. Next ROP Subgroup meeting: end of May.
- Q: how can a brownfield site become part of the program? Would the entity coming to the brownfield need to apply for a Tier 2 rather than the brownfield owner?
 - Yes. When you are constructing something on the VPLE brownfield and you qualify for the registration permit and you are Green Tier, then you get the benefits.
 - The site must be VPLE and the facility must get the permit/Green Tier.
 - The certificate of completion transfers to the new owner of a VPLE site.
 - Reach out to constituents who are completing VPLE as potential participants

IV. Green Tier Vehicle Options and Public Web Page (Laurel) – 15 minutes

- Tier 1 is entry level; Tier 2 is a higher level; requires a contract between facility and the Department.
- Participation in a charter is required for this effort.
- Charter supersedes Tier 1 & 2.
- Q: Is there a “Green Tier Lite” for small businesses that do not have the resources for EMS?
 - No, we cannot dilute the importance of becoming a Green Tier participant.
- Q: How can a new facility coming onto a brownfield site become Tier 2 since it does not have an EMS?
 - An existing facility with an EMS can show they have a proven track record when moving/expanding to a new site.
 - As currently laid out, the requirement to be Tier 2 before becoming eligible for the GT ROP would mean that a new facility cannot get a Green Tier ROP, though they can still qualify for ROP A or B.
 - Q: Is there a way to use a charter to accommodate this problem? GT ROP subgroup will discuss options.

- It can lay out the requirements of a new facility to commit to superior environmental performance and serve as a vehicle to participate in the program and demonstrate eligibility.
 - Q: Green Tier Legacy Communities - is there any application here?
 - The Legacy Communities is a charter structure including communities and counties that commit to obtaining superior environmental performance together.
 - We have a set list and other communities can join.
 - They will be a good source for us to market.
- V. Review and Approve Draft Advisory Group Charter (All) – 15 minutes
- Define what we are trying to do and who is participating.
 - Recommend for purpose and objectives:
 - We are trying to integrate VPLE, Green Tier, and Air Programs. “Integrated approach to...”
 - Explore ways to outreach and market
 - Could have John A. and/or Dave M. talk about if the cost of an EMS could be a municipal finance cost.
 - Explore opportunities for local tax incentives.
 - Participants: keep names listed for recognition; add caveat that others may join.
 - Try to schedule quarterly meetings for this group 2-3 weeks before Air and Brownfields Study Groups.
 - End date is missing. We need to report to legislature in 5 years on the pilot program. Revisit the charter in a year to assess how we are doing.
 - **Decision:** Name: 2017 Act 70 Advisory Group.
 - **Action item (DNR): add suggestions from notes to group Charter.**
 - **Action item (All): consider program name.**
- VI. Metrics for Success (All) – 30 minutes
- The metrics will probably be used in our report to the legislature.
 - These metrics could be a work in progress because we may come up with other metrics and different ways to track factors once we know what the program looks like.
 - Q: What distinguishes the first 5 years as “pilot” from the continuation? Maybe we need to find something that is a good fit right now and continue these later.
 - Work out logistics, administrative processes and beta test before defining metrics.
 - **Decision:** Put metrics on hold for now and After a meeting or 2, evaluate where we are and develop pilot metrics.
- VII. Next Steps (All) – 10 minutes
- Complete follow up items in red.
 - Look at Air and Brownfields Study Groups and schedule next quarterly meetings for this group.
 - ROP subgroup will continue to meet.

Q: What do we want to see in this effort?

Looking at brownfields, we are reaching out to rural areas and if we can develop manufacturing facilities. Developing jobs and environmentally sustainable companies is huge.

Exploring regulatory flexibility that is creative and innovative so that down the road when companies look at emission thresholds, they think about Wisconsin and its natural resources. Bringing new companies to Wisconsin and providing innovative methods for existing WI companies to grow.

Brownfields are not being widely used for manufacturing facilities so expanding the idea of what brownfields can do will be a benefit of this program.

We are establishing a system and a process so that Legacy Communities can view brownfields as assets to the community so that they can attract new businesses and grow.

Other states will be looking to Wisconsin for leadership and mentorship.